

## Message Text

LIMITED OFFICIAL USE

PAGE 01 MADRID 04661 201628Z  
ACTION EUR-12

INFO OCT-01 ISO-00 EB-07 /020 W  
-----014114 202105Z /12

R 201549Z JUN 77  
FM AMEMBASSY MADRID  
TO AMEMBASSY CARACAS  
INFO SECSTATE WASHDC 695  
AMEMBASSY OTTAWA  
USDOC WASHDC

LIMITED OFFICIAL USE MADRID 4661

E.O. 11652: N/A  
TAGS: BENC, VE, SP  
SUBJECT: MAJOR PROJECT: RAILROAD

REF: MADRID 4557

1. EMBOFF HAS NOW MET WITH ADRIANO GOMEZ MOLINA, DIRECTOR OF EXTERNAL RELATIONS AND INFORMATION, INSTITUTO NACIONAL DE INDUSTRIA (INI), REGARDING SUBJECT PROJECT. GOMEZ MOLINA IDENTIFIED INI FIRMS PARTICIPATING AS: 1) ENSIDESA (EPRESA NACIONAL SIDERURGICA, S.A.); 2) LA MAQUINISTA (LA MAQUINISTA TERRESTRE Y MARITIMA, S.A.); 3) INITEC (EMPRESA NACIONAL DE INGENIERIA Y TECNOLOGIA, S.A.); AND 4) ATEINSA (APLICACIONES INDUSTRIALES, S.A.).

ICAS INDUSTRIALES, S.A.). GOMEZ MOLINA ALSO CONFIRMED PARTICIPATION BY RENFE, SPAIN'S NATIONAL RAILWAY COMPANY.

2. SPANISH BID OF 5,715 MILLION BOLIVARS (SOME 91,000 MILLION SPANISH PESETAS), ACCORDING GOMEZ MOLINA, WAS LOWEST AMONG THOSE SUBMITTED WHICH COMPLIED STRICTLY WITH THE PROVISIONS OF THE LICITATION. SPANISH OFFER INCLUDED FOLLOWING SECTOR BREAKDOWN: CIVIL WORK - LIMITED OFFICIAL USE

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65 PER CENT; ROLLING STOCK - 15 PER CENT; ENGINEERING - 2 PER CENT; AND, SIGNAL AND COMMUNICATIONS EQUIPMENT - 5 PER CENT.

3. GOMEZ MOLINA FURTHER INFORMS US THAT US FIRM, BECHTEL, WAS ENGAGED BY GOV TO EVALUATE BIDS SUBMITTED FROM TECHNICAL-ECONOMIC STANDPOINT. WORLD BANK EXPERTS ALSO WERE ENGAGED, SINCE BIDS SUBMITTED WERE FAR HIGHER THAN GOV HAD ANTICIPATED. AS A

RESULT, LICITATION WAS DECLARED DESERTED, WITH GOV REQUESTING  
FORMATION OF CANADIAN-SPANISH CONSORTIUM TO PROPOSE A LESS  
COSTLY PROJECT, ONE THAT WOULD BE LESS SOPHISTICATED THOUGH  
MEETING BASIC GOV DESIRES.

4. FINALLY, GOMEZ MOLINA STATES THAT A GROUP OF CANADIAN  
OFFICIALS WILL COME TO INI HEADQUARTERS IN MADRID DURING THE  
PERIOD JUNE 20-25, 1977 TO NEGOTIATE RESPECTIVE CONTRIBUTIONS  
AND ACTIVITIES. STABLER

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
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**Copy:** SINGLE  
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**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977MADRID04661  
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**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
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**Original Handling Restrictions:** n/a  
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**Original Previous Handling Restrictions:** n/a  
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**Review Release Event:** n/a  
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**TAGS:** BENC, VE, SP  
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**Type:** TE  
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**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009